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NSC BRIEFING

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25 September 1966

- I. The major current issue in Italy is the question of "reunification" of the country's two socialist factions--the Communist-allied **Nenni Socialists (PSI: 600,000)** and the government-allied **Saragat Socialists (PSDI: 300,000)**.
- A. Following a meeting on 25 August, **Nenni** and **Saragat** declared they had reached an "understanding" on all problems connected with an eventual merger of their two parties.
- B. Major differences are still unresolved, however, and a unified Italian Socialist party seems unlikely for at least another year.
- C. At present, there appears to be three chief obstacles to the merger. These are:
1. The **Nenni Party's** undemocratic internal organization;
 2. **Nenni's** strong pro-Communist faction, and;
 3. The problem of Communist control of organized labor.
- D. Still another puzzle is that **Nenni's** left wing, the group closest to the Italian Communists, is reportedly opposing the merger, even though the Italian Communists have given it their blessing.
- II. Our Board of National Estimates has reached the following conclusions regarding the eventual **Nenni-Saragat** reunion:
- A. Reunification will substantially change the political and governmental alignments that have prevailed in Italy for almost a decade, but the nature and effect of these changes cannot be firmly estimated at present.

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- B. On the one hand, reunification might result in political benefits in Italy if the two parties were merged on a democratic basis and adhered to the principles of the Socialist International. Italy might then possess the basis:
1. for developing a democratic alternative on the left,
 2. for constituting a more substantial parliamentary bloc for the advancement of such-needed economic and social reforms, and
 3. for delivering a severe blow to Communist strength and prestige.
- C. On the other hand, the withdrawal of the PSDI from the present government might eventually force the Christian Democrats either to include the reunified Socialist party in the government or to move to the right to include the Monarchists.
1. Such a forced choice might cause a split in the CD with unpredictable consequences.
- D. Furthermore, the fact remains that the PSDI presently has only about half the popular strength of the PSI.
1. Whatever Enni's professions at the moment, the PSDI would probably find itself soon absorbed by the PSI
 2. Unless the PSI were able to purge itself of its pro-Communist and Communist elements, which will be difficult to accomplish, the reunified group might end up under the control of Communist elements.

E. Finally, it is possible that Nenni's moves may be part of a larger Communist design not only to break the CD hold on the Italian government, but also to serve Communist purposes in Western Europe in general.

- 1. It cannot be forgotten that Nenni stuck loyally by the PCI and Soviet line during the long period of Stalinist tyranny, and while many of his social democratic friends in the satellites were liquidated.**
- 2. It may be very significant that Nenni's movement toward greater autonomy and democracy in the PSI coincide with Soviet changes of line and efforts to achieve popular front governments and neutralism in Western Europe.**

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26 September 1956

RSC BRIEFING

ITALY

- I. The major issue in Italy today is the question of "reunification" of the country's two socialist factions--the left-wing and Communist-allied Nenni Socialists (600,000 members) and the right-wing, government-allied Social Democratic Party led by Saragat (300,000 members).
- A. Following a meeting on 25 August, Nenni and Saragat declared they had reached an "understanding" on all problems connected with an eventual merger of their two parties.

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- B. Major differences are still unresolved, however, and a unified Italian Socialist party seems unlikely for at least another year.
- C. At present, there appears to be three chief obstacles to the merger. These are:
 - 1. The Nenni Socialists' undemocratic internal organization;
 - 2. Their strong pro-Communist faction, and
 - 3. The problem of Communist control of Italian organized labor.
- D. One puzzle is that Nenni's left wing, the group closest to the Italian Communists, is reportedly opposing the merger, even though the Italian Communists have given it their blessing.

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II. We have reached these conclusions regarding an eventual Socialist reunion:

A. Such a move might result in political benefits in Italy. This assumes that the Nenni Socialists sincerely rid themselves of their communist ties, that the two parties merged on a democratic basis and that the new party adhered to the principles of the Socialist International. Under these circumstances, Italy might then possess the basis:

1. for developing a democratic alternative on the left,
2. for the advancement of much-needed economic and social reforms, and
3. for delivering a severe blow to Communist strength and prestige.

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- B. On balance, however, we feel that the dangers in reunification more than outweigh these possible advantages.
- C. The fact is that the Nenni Socialists outnumber the Social Democrats by two to one, so that a merger would soon result in Saragat's party being absorbed by Nenni's.
 - 1. Unless the Nenni Socialists were purged of its pro-Communist and Communist elements, the reunified group probably would end up under Communist control.
- D. Moreover, Nenni's twenty years of collaboration with Communism leaves us with serious doubts regarding his sincerity in wishing to make a break now.

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- E. And even if we grant his sincerity, other strong doubts remain:
1. Has Nenni the skill and tenacity required to make a clean break with the Communists, and still maintain control of his party and a hold on the electorate?
 2. Even if he succeeded in this, would he not, in the last analysis, use his influence to bring the Italian Government around to a policy of neutralism?
- F. In this connection, we cannot ignore the possibility that Nenni's moves are part of a larger Communist design--aimed not only at breaking the Christian Democrats' hold on the Italian Government but also at serving Communist purposes in Western Europe in general.

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1. It may well be significant that Nenni's move coincides with Soviet efforts to bring about popular front governments and neutralism in all of Western Europe.

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